



**Press Release**  
**Genev Capital Private Limited**  
**January 08, 2024**

**Rating Downgraded & Withdrawn and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	100.00	ACUITE BB+   Downgraded & Withdrawn   Issuer not co-operating*	-
Bank Loan Ratings	100.00	ACUITE BBB+   CE   Downgraded & Withdrawn   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	200.00	-	-

**Rating Rationale**

Acuite has downgraded and withdrawn the long term rating of '**ACUITE BBB+ (CE)**' (read as **ACUITE triple B plus (Credit Enhancement)**) from '**ACUITE AA (CE)**' (read as **ACUITE double A (Credit Enhancement)**) on the Rs. 100.00 Cr. bank facilities of Genev Capital Private Limited (GCPL). The withdrawal is on account of request received from client, NOC received from the lenders and is in accordance with Acuite's policy on withdrawal of ratings. The rating is now an indicative rating and is based on best available information.

Acuite has downgraded and withdrawn the long term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 100.00 Cr. bank facilities of Genev Capital Private Limited (GCPL). The withdrawal is on account of request received from client, NOC received from the lenders and is in accordance with Acuite's policy on withdrawal of ratings. The rating is now an indicative rating and is based on best available information.

**Rationale for downgrade:**

The rating is downgraded on account of information risk which is critical for conducting surveillance & review of the rating.

**About the Company**

GCPL, incorporated in April 2018, is a debt market intermediary catering to wide range of clients like provident funds, insurance companies, family offices, banks and others. GCPL's head office is at Mumbai and has its branch offices at New Delhi, Kolkata, Bengaluru and Ahmedabad. The company is promoted by Mr. Kunal Shah, Mr. Ashish Ghiya, Ms. Rita Thakur, and Switzerland based Tradition Group through its entity Tradition Asia Pacific (Pte.) Limited. Tradition Asia Pacific (Pte.) Limited holds ~26 percent equity shares of GCPL. (Mr. Kunal Shah and Mr. Ashish Ghiya are also promoters of Derivium Tradition Securities India Private Limited (DTSIPL)).

**Unsupported Rating**

BB+

**Non-cooperation by the issuer/borrower**

Acuite has been requesting for critical information from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information

risk is a critical component in such ratings, and non - cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall

credit quality. This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité's policies.

### **Limitation regarding information availability**

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### **Assessment of Adequacy of Credit Enhancement (Applicable only for CE & SO Ratings)**

The structure provides for adequate covenants to safeguard the interest of the lenders and has adequate buffers available to initiate timely corrective action and effectively mitigate the risk arising out of any adverse market movements.

### **Rating Sensitivities**

Not applicable

### **All Covenants (Applicable only for CE & SO Ratings)**

The issuer is subject to the following covenants as per the sanctioned terms of the Federal Bank facility:

1. For G-sec, the borrower shall provide margin upfront in their account maintained with the bank.
2. For the intraday facility (for trading in G-secs), the purchase and sales of G-secs are completed in the same day.

### **Liquidity Position**

Currently the company has cash credit limit of Rs. 100.00 Cr. against the pledge of highly rated bonds and securities acceptable to the bank.

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

None

### **Key Financials:**

Particulars	Unit	FY23 (Actual)	FY22 (Actual)
Total Assets	Rs. Cr.	180.93	128.69
Total Income*	Rs. Cr.	31.46	45.44
PAT	Rs. Cr.	6.01	16.05
Net Worth	Rs. Cr.	63.52	57.78
Return on Average Assets (RoAA)	(%)	3.88	12.50
Return on Average Net Worth (RoNW)	(%)	9.92	32.27
Debt/Equity	Times	1.78	1.09
Gross NPA (Owned portfolio)	(%)	N/A	N/A
Net NPA (Owned portfolio)	(%)	N/A	N/A

### **Status of non-cooperation with previous CRA**

Not Applicable

### **Any other information**

None

### **Applicable Criteria**

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Banks And Financial Institutions: <https://www.acuite.in/view-rating-criteria-45.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Explicit Credit Enhancements: <https://www.acuite.in/view-rating-criteria-49.htm>
- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>

### **Note on Complexity Levels of the Rated Instrument**

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria “Complexity Level Of Financial Instruments” on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Oct 2022	Working Capital Demand Loan	Long Term	100.00	ACUITE AA (CE)   Stable (Reaffirmed)
	Secured Overdraft	Long Term	100.00	ACUITE BBB   Stable (Assigned)
09 Aug 2022	Working Capital Demand Loan	Long Term	100.00	ACUITE AA(CE)   Stable (Reaffirmed)
11 May 2021	Working Capital Demand Loan	Long Term	100.00	ACUITE AA(CE)   Stable (Upgraded from ACUITE AA- (CE)   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
ICICI Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	100.00	ACUITE BB+   Downgraded & Withdrawn   Issuer not co-operating*
Federal Bank	Not Applicable	Working Capital Demand Loan (WC DL)	Not available	Not available	Not available	Simple	100.00	ACUITE BBB+   CE   Downgraded & Withdrawn   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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